



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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September 2, 2009

TO: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

FROM: Wendy L. Watanabe
Auditor-Controller

SUBJECT: **SPECIAL SERVICE FOR GROUPS, INC. CONTRACT – FOLLOW-UP
REVIEW**

At the request of the Department of Public Health (DPH), Office of AIDS Programs and Policy (OAPP), we completed a follow-up review of Special Services for Groups', Inc. (SSG or Agency) progress in implementing the recommendations from our September 30, 2008 report. The purpose of our original review was to determine if SSG had appropriately spent funds in accordance with the County contract. SSG has offices in the First and Second Supervisorial Districts.

The Agency implemented all four recommendations included in our report. The following are the recommendations and their implementation status.

ELIGIBILITY

Recommendation 1

SSG management ensure clients/patients are properly screened for Medi-Cal, private medical insurance and other third-party payers and client files contain documentation indicating their eligibility for program services.

Current Status: IMPLEMENTED

Verification

The three files reviewed contained initial assessments for third party payers.

Recommendation 2

SSG management establish and implement a client/patient fee determination system and ensure that it is reviewed and approved by OAPP.

Current Status: IMPLEMENTED

Verification

SSG implemented a client/patient fee determination system that OAPP approved on May 15, 2009.

PAYROLL AND PERSONNEL

Recommendation 3

SSG management ensure payroll billings are based on actual hours worked on OAPP related activities.

Recommendation 4

SSG management ensure employees' timecards indicate the total hours worked on a daily basis by program.

Current Status of Recommendations 3 and 4: IMPLEMENTED

Verification

The time report for the two employees sampled for November 2008 showed actual hours worked by program. In addition, SSG's payroll expenditures billed to OAPP for November 2008 were supported by the hours reported on the time reports.

We notified SSG and OAPP of the results of our review and thank SSG for their cooperation and assistance during our follow-up review. Please call me if you have any questions, or your staff may contact Don Chadwick at (213) 253-0301.

WLW:MMO:JET:DC

c: William T Fujioka, Chief Executive Officer
Jonathan E. Fielding, Director, Department of Public Health
Herbert Hatanaka, Executive Director, Special Services for Groups, Inc.
Public Information Office
Audit Committee